

SB 744 Reporting of DMV Modernization Projects

June 2016

In accordance with Senate Bill 744, Appropriations Act of 2014, the following projects are reported on Quarterly beginning October 1, 2014 to the Joint Legislative Transportation Oversight Committee, Committee on Information Technology and the Joint Legislative Transportation Oversight Committee. This report will include the following.

1. Project Status to include any issues identified by the Enterprise Project Management Office.
2. Comparison of project status to the time line, with an explanation of any differences.
3. Any changes in project costs.
4. Actual expenditure to date.
5. Any variances from project expenditures and the reason for the variance.
6. Any potential funding shortfalls and the potential impact of the funding shortfalls.
7. Any issues identified by the DOT, with corrective action plan and a time line for resolving the issues.
8. Impact of any issues identified on the project schedule.
9. Impact of any issues identified on the project cost.
10. Any changes to the project.
11. Any change requests submitted to project vendors and the cost of those changes.

Replacement of the State Automated Driver License System (SADLS) – Project

1. Project Status to include any issues identified by the Enterprise Project Management Office.

Working with Department of Information Technology and Enterprise Project Management Office, this effort has been split between the Next Generation Secure Driver's License Project (ITP.00200) and Driver 360 Project (ITP.280). The emphasis for this quarter was been completion of the implementation of NGSDL Phase I with the vendor, Morph Trust. NGSDL was the replacement of the user facing application for State Driver License system and was completed in January. That project is being closed out with DIT and we have initiated Driver 360 project to complete the replacement of the backend processes that were covered by SADLS application. The project team leadership, DMV and IT, visited the MorphoTrust facility to review the Driver 360 application and develop the gap analysis to determine any customizations to meet NC regulations and development of statement of work. Concurrently, the D360 Project is documenting all the DMV business processes and service offerings. This will assure we are covering all aspects of the SADLS replacement and the information will be utilized in future DMV legacy application replacements.

2. Comparison of project status to the time line, with an explanation of any differences.

The current project schedule has been modified numerous times to coincide with Office Optimization efforts, issues with receipt of equipment and utilization of resources on site, both installers as well as DMV trainers.

At this time, there is no impact to the remaining schedule NGSDL closeout nor the initiation of D360 projects.

3. Any changes in project costs.

There are no changes to the project costs. We are continuing to gather gap analysis data which will be the basis for negotiating the contract for remaining effort with the vendor, MorphoTrust for Driver 360 project.

Baseline Project Budget for NGSDL is \$14,002,086.

Initial Project Budget for Driver 360 is estimated at \$27,007,664

4. Actual expenditure to date.

NGSDL total to date is \$13,197,827.

Driver 360 total to date is \$ 104,375.

5. Any variances from project expenditures and the reason for the variance.

The project costs are on track with the total funding through appropriations. The total budget appropriated and expenditures for these projects are updated in DIT Project Management tool weekly.

6. Any potential funding shortfalls and the potential impact of the funding shortfalls.

None identified at this time, there is the risk that final project budget could be impacted by final gap analysis and contract negotiations.

7. Any issues identified by the DOT, with corrective action plan and a time line for resolving the issues.

No open issues have been identified by DOT on this effort. It is a very aggressive timeline with complex coordination with other DMV Modernization efforts, legacy applications and Legislative Changes but being aggressively pursued.

8. Impact of any issues identified on the project schedule.

No issues open at this time. Driver 360 is in initiation phase and schedule and budget will be baselined at completion of Planning & Design at the DIT Decision Point approval.

9. Impact of any issues identified on the project cost.

None.

10. Any changes to the project.

Due to the limitations of prior project management tool, UMT and transition to the current DIT project management tool, EPMO has approved separation of the NGSDL project into two projects. NGSDL has delivered Phase I for user interface functions. Remaining functionality for Phase II and all of Phase III are now being covered under Driver 360 Project.

11. Any change requests submitted to project vendors and the cost of those changes.

Change request has been submitted, approved and processed to the projects to reflect Appropriations approved for FY 2015/2016.

Division of Motor Vehicles Mobile Unit Replacement & Division of Motor Vehicles Kiosk Pilot Program

These two items under Section 7.14.(a) are combined and included in this report under the same project, NCDMV Optimization (ITP.00255). These efforts have been identified by DMV as a subset of the Office Optimization effort. The implementation of mobile units and kiosks are being addressed as a result of DMV Offices survey; office layout and customer flow optimized and utilization of mobile units are addressed to optimally meet the citizens' needs for face-to-face DMV services.

1. Project Status to include any issues identified by the Enterprise Project Management Office.

The NCDMV Optimization project has completed twenty-four (24) driver licenses offices which were identified as Phase I. One remaining offices were deferred by DMV pending lease decisions. DOT IT has successfully processed the Amendment to vendor's contract to complete an additional twenty-five (25) offices plus one office deferred. They are currently scheduled for completion by the end of October 2016. The risk is on time delivery by all suppliers and facility work completed as planned.

2. Comparison of project status to the time line, with an explanation of any differences.

Phase II offices schedule are being finalized to include coordination of building upgrades, furniture, connectivity and delivery by suppliers.

All Phase I Kiosks have been deployed and are operational to the citizens. An additional twenty-five (25) will be in Phase II and schedule has not been finalized at this time. Amendment for additional twenty-five (25) kiosks has been awarded this week.

3. Any changes in project costs.

There are no changes to the project costs baseline budget of \$5,572,000.

4. Actual expenditure to date.

The actual project costs to date are \$2,349,124.

5. Any variances from project expenditures and the reason for the variance.

None.

6. Any potential funding shortfalls and the potential impact of the funding shortfalls.

No potential funding shortfalls have been identified.

7. Any issues identified by the DOT, with corrective action plan and a time line for resolving the issues.

As a result of an increase in projects and associated activities with IT and Procurement and current capacities, the schedule impacts and possible resulting increase in costs are being closely monitored.

8. Impact of any issues identified on the project schedule.

None at this time.

9. Impact of any issues identified on the project cost.

None.

10. Any changes to the project.

None.

11. Any change requests submitted to project vendors and the cost of those changes.

None at this time.

Division of Motor Vehicles Card Payment Operations & Maintenance

This item under Section 7.14.(a) is as stated operations and maintenance and not a project within DOT IT. As such, the reporting items stated in 7.14.(d) do not apply. The costs and expenditures for Card Payment O&M will be collected monthly. To date the entire allocated funding from SB744, \$1,512,919 has been expended.

Division of Motor Vehicles Service-Oriented Architecture

DOT IT is working with the SCIO and DIT on the SOA project. We are currently requesting from Fiscal Research and legislative liaison that project funding for this effort be reallocated to projects implementing various SOA efforts such as MyDMV and Ignition Interlock Projects.

1. Project Status to include any issues identified by the Enterprise Project Management Office.

Project is in Planning & Design Phase. The project is behind schedule based on the acquisition of SOA Governance tool. We have reviewed the pending tool selection for the Information Technology Service Management (ITSM) which will meet the requirements of the SOA Governance functionality. DIT is currently negotiating that RFP award as an Enterprise solution and was awarded, DOT will be implementing the tool. At that time we will confirm its use as SOA Governance tool.

2. Comparison of project status to the time line, with an explanation of any differences.

The project is currently on hold for RFP submission awaiting the award of the IT Service Management (ITSM) tool. The ITSM RFP negotiations and award is in progress with DIT.

3. Any changes in project costs.

None.

4. Actual expenditure to date.

Project costs to date are \$993,068. The project team is still being brought on as needed and project is in process of securing tool for SOA component tracking and distribution.

5. Any variances from project expenditures and the reason for the variance.

If the ITSM tool meets SOA Governance tool functionality as expected, funding for a separate tool will not be necessary with the exception of any additional modules or professional services required from the potential vendor. Any excess funding will be diverted to implementation of SOA solutions.

6. Any potential funding shortfalls and the potential impact of the funding shortfalls.

No potential funding shortfalls have been identified.

7. Any issues identified by the DOT, with corrective action plan and a time line for resolving the issues.

The project is experiencing delays in procurement process due to the high level of procurement activities experienced with DMV Modernization and ITSM tool mentioned above. We are working closely with DIT and DOT Procurement and are closely monitoring for any effects on schedule.

8. Impact of any issues identified on the project schedule.

Project will require a change request due to delays in procurement and will be submitted upon award of ITSM tool.

9. Impact of any issues identified on the project cost.

None.

10. Any changes to the project.

Only those mentioned above.

11. Any change requests submitted to project vendors and the cost of those changes.

Not applicable at this time.

Division of Motor Vehicles Channel Strategy

DOT IT is working with the SCIO and DIT on the Channel Strategy project. The business project request has been initiated and is working through Initiation Phase. The IT Project Channel Strategy has been approved to proceed by DIT.

The Project Manager contractor that was hired for this effort did not perform and was released. A replacement Project Manager is being sought and as a result this project is not making progress as expected. We are also having difficulty securing an analyst and have posted the position twice without identifying a viable contract.

As a result of above resource issues and progress made under other DMV Modernization projects, we are seeking approval through Fiscal Research and Legislative liaison to reallocate the Channel Strategy funding to projects implementing alternate channel solutions such as IVR Phase II, MyDMV online services, mail remittance process improvement projects and other DMV initiatives dealing with alternate channel access to our customers.

To date this project has actual costs of \$52,144.

Division of Motor Vehicles WEB Application Development (Hearing Fee Implementation)

This effort is being combined with the Virtual Hearing Project (ITP.00250) which was to implement remote hearing capability within DMV. Since the ability to provide remote hearings greatly impacts the fees for hearing provided by DMV, DMV Commissioner Thomas requested these efforts be included in the same project.

1. Project Status to include any issues identified by the Enterprise Project Management Office.

Project is in Planning & Design Phase. DIT EPMO has been briefed on this effort and in agreement with approach. The Request for Bid (RFP) expired and DOT IT has resubmitted the RFP. The RFP responses are being evaluated by DOT and DIT. Only two responses were received for Virtual Hearing RFP. Evaluation of the proposals are scheduled to be completed in early July and determination of award or alternate approach will be determined at that time.

2. Comparison of project status to the time line, with an explanation of any differences.

Change Request has been processed with EPMO to extend the project due to delays in procurement activities and reissuance of RFP. Until RFP is awarded, we do not have a schedule for hardware/software delivery as well as solution for implementation of hearing fees.

3. Any changes in project costs.

None identified at this time.

4. Actual expenditure to date.

Project costs to date are \$207,799.

5. Any variances from project expenditures and the reason for the variance.

None identified at this time.

6. Any potential funding shortfalls and the potential impact of the funding shortfalls.

No potential funding shortfalls have been identified.

7. Any issues identified by the DOT, with corrective action plan and a time line for resolving the issues.

Contracted Project Manager for this project has resigned and a replacement has been on boarded. Procurement activities are impacting schedule and delaying delivery of solution.

8. Impact of any issues identified on the project schedule.

None identified at this time except as noted above.

9. Impact of any issues identified on the project cost.

None identified at this time.

10. Any changes to the project.

As noted above, this project, ITP.00250, includes both scope for Virtual hearings and Hearing Fees Implementation. A RFP for the virtual hearing solution is currently in the proposal evaluation process with oversight by DIT Procurement. The schedule and costs will be assessed upon award to determine impact.

11. Any change requests submitted to project vendors and the cost of those changes.

None identified at this time.

SB 744 Financial Summary

Project	Name	SB744 Title	SB744 Funding	Plan Cost	Actual Cost	Commitment	Procurement Pending	Total Actual, Committed & Pending
ITP.00200	Secure Driver License System & D360 Projects	Replace SADLS	\$14,946,903	\$41,009,750	\$13,302,202		\$24,000,000	\$37,302,202
ITP.00250	Virtual Hearings	Hearing Fees	\$256,000	\$2,076,872	\$207,799		\$1,593,793	\$1,801,592
ITP.00251	Online Driver License Renewal	Channel Strategy	\$1,800,000	\$2,120,000	\$52,144		\$1,560,000	\$1,612,144
ITP.00255	NCDMV Optimization	Mobile Unit & Kiosk	\$1,396,000	\$5,572,000	\$2,349,124	\$2,889,985		\$5,239,109
ITP.00259	DMV SOA Center	SOA	\$3,000,000	\$3,000,000	\$993,068	\$9,960	\$1,695,397	\$2,698,425
O&M	Card Payment O&M	Card Payment Operations & Support	\$1,512,919		\$1,512,919			\$1,512,919
		Totals	\$22,911,822	\$53,778,622	\$18,417,256	\$2,899,945	\$28,849,190	\$50,166,391
	Pending Procurement:	Replace SADLS - Pending contract negotiations for MorphTrust Driver 360 solution.						
		Hearing Fees - Two RFPs, one in evaluation other planned for fees effort.						
		Channel Strategy - Project Initiation in progress and pending approval for reallocation of funding to alternate channel implementation projects.						
		SOA - Pending evaluation of ITSM tool.						